



County of Los Angeles
CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

June 17, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**DEPARTMENT OF PUBLIC HEALTH: EPIDEMIOLOGY AND LABORATORY
SURVEILLANCE AND RESPONSE PROJECT — ATLAS DEVELOPMENT
CORPORATION SOFTWARE MARKETING
AGREEMENT — AMENDMENT NUMBER 3
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

CIO RECOMMENDATION: [X] APPROVED

SUBJECT

Request approval to extend the term of Agreement with Atlas Development Corporation Software Marketing Agreement through June 30, 2010.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize and instruct the Director of the Department of Public Health (DPH), or his designee, to sign Amendment Number 3 (Exhibit I) to Agreement Number H-207543 with Atlas Database Software Corporation (dba Atlas Development Corporation) (Atlas) to: 1) extend the term of the Visual Confidentiality Morbidity Report Marketing Agreement for two years from July 1, 2008 through June 30, 2010; and 2) redirect royalty generated payments received under Agreement Number H-207543 from the Department of Health Services' General Fund to DPH's General Fund.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION

Atlas, a software development corporation (sole source) is currently under agreement with DPH to provide enhanced software programming modifications and developments to the Visual Confidential Morbidity Report (vCMR) system. vCMR is a web-based advanced electronic software system developed by Atlas and wholly owned by the County. vCMR supports the transmittal of communicable disease reporting data and accurately manages the investigative cycle of a disease or outbreak from initial date of onset to the final resolution of a case report. This functionality offers a strong tool in the tracking and managing of all new and open disease cases.

Atlas currently markets the vCMR system for the County throughout the State and other jurisdictions. Under the agreement, County receives a royalty of ten percent of the gross monthly revenue received by Atlas.

Board approval is necessary to extend the term of the Marketing Agreement with Atlas, allowing Atlas to continue sub-licensing the vCMR software. Additionally, the Amendment forwards payment of the royalty fees under the Marketing Agreement from DHS's General Fund to DPH's General Fund.

Implementation of Strategic Goals

This action supports Goal 4, Fiscal Responsibility and Goal 8, Public Safety.

FISCAL IMPACT/FINANCING

Atlas pays the County a royalty fee of ten percent of the gross monthly revenue received by Atlas. After the Amendment, all royalty fees will be transferred to DPH's General Fund. Sub-licensees include several counties (such as Monterey, Sacramento, San Diego, and Stanislaus), and one public university (University of California, San Diego). To date, the royalty fees have generated \$21,440. Future royalty fees are dependent on the number of sub-licensees and cannot be determined at this time.

CONTRACTING PROCESS

On September 10, 1996, the Board accepted funding from the Centers for Disease Control and Prevention (CDC) to improve communicable disease data collection and processing within the Los Angeles County. These funds were used to help develop a new communicable disease software vCMR system.

Honorable Board of Supervisors
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On May 19, 1998, your Board approved a sole source agreement with Atlas, offset by CDC funds to engage in the development of vCMR software. On subsequent occasions, your Board has approved actions to continue this reporting system. On May 2, 2006 the Board approved Amendment Number 2 which extended the term of the Agreement through June 30, 2008.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The vCMR communicable disease reporting system was managed by the Department of Health Services until July 2006, when DPH was established. Accordingly, DPH will continue to act as the lead department over the vCMR communicable disease reporting system.

County Counsel has reviewed and approved Exhibit I as to form. The Chief Information Office (CIO) concurs with DPH's recommendations and has provided the CIO Analysis Report (Exhibit II).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will ensure the availability and marketing of the Los Angeles County owned vCMR software system and its usage by the State of California and other jurisdictions. Furthermore, the County will continue to receive royalties from Atlas.

CONCLUSION

When approved, DPH requires four signed copies of the Board's action.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer



Richard Sanchez
Interim Chief Information Officer

WTF:SRH:SAS
MLM:TOF:yb

Attachments (2)

c: County Counsel
Director and Health Officer, Department of Public Health

EXHIBIT I

Contract Number H-207543-3

VISUAL CONFIDENTIALITY MORBIDITY REPORT
MARKETING AGREEMENT

AMENDMENT NUMBER 3

THIS AMENDMENT is made and entered into this _____ day
of _____, 2008;

by and between

COUNTY OF LOS ANGELES (hereafter
County),

and

ATLAS DATABASE SOFTWARE
CORPORATION DBA ATLAS
DEVELOPMENT CORPORATION
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "VISUAL
CONFIDENTIALITY MORBIDITY REPORT MARKETING AGREEMENT", dated April 2,
2002, and further identified as County Agreement Number H0207543 and any
amendments thereto, (together with all exhibits, and attachments thereto, all hereafter,
"Agreement") for the provision of marketing, sub-licensing, support and enhancement
rights in County's Visual Confidentiality Morbidity Report (or vCMR) Software; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to make
the changes described hereinafter.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall be effect upon the later of (a) the date of execution

by an authorized representative of Contractor and County's Board of Supervisors' approval and (b) July 1, 2008.

2. The first subparagraph of Paragraph 1.0, TERM, shall be amended to read as follows:

"1.0 TERM:

The term of this Agreement shall commence on April 2, 2002, and shall continue in full force and effect through June 30, 2010, unless earlier terminated as provided herein."

3. Paragraph 8.0, ROYALTIES, AND TAXES, Subparagraph 8.1, Royalties, shall be revised in its entirety to read as follows:

"8.0 ROYALTIES AND TAXES

8.1 Royalties

All royalty payments to County shall be made in the form of a check payable to the "County of Los Angeles" and shall be forwarded to the following address:

Department of Public Health
Public Health Programs
Expenditure Management
5555 Ferguson Avenue
City of Commerce, CA 90020

Attn: Expenditure Manager

Contractor's royalty payment transmittal letter to County shall specify the amount that the Contractor has collected in Gross Sales for the applicable period including a computation

specifying any other applied. Contractor shall remit to the State of California and/or any other applicable governmental entities, all sales and/or use taxes, and/or all other governmental levies of any kind whatsoever, applicable to all Program sales, or any transactions from which the royalty amounts arose.

Contractor shall have full liability and responsibility for all taxes, duties, assessments, and other levies, including, but not limited to, sales, use, value added, and/or income taxes, which may be imposed on any activity or transaction directly resulting from Contractor's sale of County's program under this Agreement, and County shall have no such liability or responsibility whatsoever."

4. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed on its behalf, by its Director of Public

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Health and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

ATLAS DATABASE SOFTWARE CORPORATION
DBA ATLAS DEVELOPMENT CORPORATION
Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
BY THE OFFICE OF COUNTY COUNSEL:
RAYMOND G. FORTNER, JR.
County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF PUBLIC HEALTH

By _____
Gary T. Izumi, Chief
Contracts and Grants Division

CIO ANALYSIS

DEPARTMENT OF PUBLIC HEALTH (DPH) SOFTWARE MARKETING AGREEMENT WITH ATLAS DEVELOPMENT CORPORATION AMENDMENT NO. 3

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION
☐ DISAPPROVE

Contract Type:

☐ New Contract ☒ Contract Amendment ☒ Contract Extension
☐ Sole Source Contract ☐ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: 2 Yrs # of Option Yrs 0

Contract Components:

☐ Software ☐ Hardware ☐ Telecommunications
☐ Professional Services ☒ Marketing

Project Executive Sponsor: Jonathan E. Fielding, M.D., M.P.H., M.B.A., Director of Public Health and Health Officer

Budget Information :

Y-T-D Contract Expenditures	\$ 0
Requested Contract Amount	\$ 0
Aggregate Contract Amount	\$ 0

Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved.

Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

The Department of Public Health (DPH) is requesting your Board to delegate authority to its Director, or his designee, to sign Amendment No. 3 to Agreement H-207543, with Atlas Database Software Corporation (Atlas), extending the current term of the existing agreement from July 1, 2008 through June 30, 2010, at no net County costs.

This will authorize Atlas to continue marketing and sub-licensing the Visual Confidential Morbidity Report (vCMR) system, developed for DPH, to other California counties (i.e., Monterey, Sacramento, San Diego and Stanislaus) and to the University of California, San Diego Medical Center during which time DPH will continue to receive ten percent (10%) of the gross monthly revenue received by Atlas. This extension is necessary in order to allow negotiations to occur between the County and Atlas to resolve obstacles raised by other states and various public and private entities in the marketing of vCMR for wider use.

vCMR is an advanced electronic epidemiology and laboratory surveillance reporting system for all communicable diseases, wholly owned by the County and marketed by Atlas. The main purpose of this system is to make disease investigation, tracking and reporting more efficient for Los Angeles County as well as when reporting data to the State Department of Public Health. vCMR accurately manages the investigative cycle of a disease or outbreak from initial date of onset to the final resolution of a case report. DPH has been successfully using vCMR to manage large volumes of incoming case reports with efficiency and accuracy.

DPH is also requesting that the Board authorize the forwarding of royalty fees earned under this Agreement from the DHS General Fund to the DPH General Fund.

Background:

On September 10, 1996, the Board accepted funding from the Communicable Disease Center to develop and maintain a surveillance response to infectious diseases.

On May 19, 1998, the Board approved the Agreement with Atlas to assist the DPH (then a part of the Department of Health Services) in the development of the vCMR system.

On April 2, 2002, the Board approved a no-cost sole source Agreement with Atlas for software marketing services effective April 2, 2002 through June 30, 2006.

On June 17, 2003, the Board approved Amendment No. 1 to allow Atlas to continue to sub-license vCMR to other jurisdictions if the prime contract with the County was terminated and to require sub-licenses be approved by the County Project Manager to ensure that the sub-licenses accurately described the relationship between Atlas and the sub-licensees.

On May 2, 2006, the Board approved Amendment No. 2 extending the agreement through June 30, 2008 and to incorporate the County's most current Board-mandated terms and conditions.

CIO Recommendations:

Recommend Board approval of proposed Amendment No. 3.

CIO APPROVAL

Date Received: 4-24-08
Prepared by: Carol Brubaker
Date: 4-24-08
Approved: Greg Melend
Date: 4/30/2008